Nanette S. Edwards, Executive Director



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April 19, 2021

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE:

Dominion Energy South Carolina, Inc. Request for "Like Facility" Determinations Pursuant to SC. Code Ann. § 58-33-110(1) (This filing does not involve any change to the retail electric or natural gas base rates of Dominion Energy South Carolina, Inc.)

Docket No. 2021-83-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed the filing submitted by Dominion Energy South Carolina, Inc. ("DESC" or the "Company") requesting for "like facility" determinations pursuant to S.C. Code Ann. § 58-33-110(1) ("Like Facility Request").

Overview of Company's Request

The Company requests that the Commission issue an order approving the Like Facility Request whereby the Company proposes to replace portions of its existing Jasper–Yemassee 230 kilovolt ("kV") #1 Line ("Jasper-Yemassee 230 kV #1") with "like facilities." Under S.C. Code Ann. § 58-33-110(1), the replacement of an existing facility with a like facility, as determined by the Commission, shall not constitute construction of a major utility facility. The Like Facility Request was filed with the Commission on March 8, 2021, and on March 29, 2021. The Company filed a letter advising of a new estimated completion date based on an update from the Company's vendor.

The existing Jasper-Yemassee 230 kV #1 extends from the Company's Jasper 230 kV Substation near Hardeeville, South Carolina, to the Yemassee Transmission Substation near

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Yemassee, South Carolina, for a total distance of approximately 38 miles. Construction of the Jasper-Yemassee 230 kV #1 was completed in 2003 after receiving a Certificate of Environmental Compatibility and Public Convenience and Necessity from the Commission in Order No. 2002-774. The Company's proposal in the Like Facility Request is to fold the Jasper-Yemassee 230 kV #1 into the Company's planned Lakeside 230/115 kV Substation ("Lakeside Substation") which will sit adjacent to and between the Company's existing Okatie 115 kV Switching Station and Okatie Substation along a new 275-foot wide right-of-way ("ROW") segment, approximately 700 feet in length.

Due to load growth in the Bluffton and surrounding areas, DESC has determined that the existing facilities in the area will not provide acceptable levels of voltage support as early as December 1, 2022. DESC's Transmission Planning models indicate that voltage could drop below acceptable levels by winter of 2022/2023 should certain planning contingencies occur such as the loss of the Hardeeville 115 kV capacitor bank and the Okatie–McIntosh 115 kV Tie Line. Overall, the Company considered two alternatives, and the Company determined that the alternative to fold the Jasper-Yemassee 230 kV #1 into the Lakeside Substation was the most robust option from a reliability perspective as well as the most cost-effective from an economic perspective. The Company noted that the fold-in to the Lakeside Substation was estimated at around \$8.5 million while the second option, to add a second 115 kV line between Okatie and Yemassee by a rebuilding the Okatie–Yemassee 115 kV line of approximately 31.21 miles as single pole, double circuit structures, would cost approximately \$59.25 million.

DESC indicates that construction of the proposed facilities would be completed by April 1, 2023. The new line segments created by the fold-in will be renamed the Jasper–Lakeside 230 kV and Lakeside–Yemassee 230 kV Line. On March 29, 2021 the Company filed a letter advising that the new estimated completion date would be June 1, 2023 due to recent events in the State of Texas. The Company received word from its vendor supplying the auto transformers needed for the project that the earliest delivery date for the auto transformers would be March 31, 2023.

ORS Recommendation

The Company states that it has already acquired the necessary ROW, and the proposed alternative provides a strong 230 kV source close to the load center and will not result in any significant increase in environmental impact of the facility or substantially change the location of the facility. The proposed alternative also ensures that DESC will continue to comply with applicable NERC reliability standards. Additionally, the Company is working on a temporary solution to address any voltage concerns in the winter of 2022/2023 and ensure that it remains in compliance with applicable NERC standards.

ORS issued discovery to the Company to verify the Company's determinations and information in the Like Facility Request and to obtain additional information. Specifically, ORS's discovery included questions related to how the Company arrived at its proposed alternative, how the Company determined the facilities being replaced are considered to be a "like facility', what other alternatives were reviewed, a breakdown of cost estimates, voltage support data, information on the ROW necessary, and what the Company's temporary solution is to address voltage concerns

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in the interim. In addition, ORS conducted a virtual meeting with the Company on April 12, 2021 to discuss the Company's request in more detail. Based on its review, ORS does not object to the Commission's approval of the Company's Like Facility Request. ORS would recommend that the Company file an update on its temporary solution to address any voltage concerns in the winter of 2022/2023 once it is available. ORS would also recommend that the Company file updates with the Commission and ORS on the project. Finally, ORS would recommend that the Company notify the Commission and ORS of the completion of the project within ten (10) days of its completion.

Please do not hesitate to contact me if you have any questions.

Sincerely,

cc:

All Parties of Record (via e-mail) David Butler, Esquire (via e-mail)